

Agricultural Marketing Service

U.S. Department of Agriculture

SPECIAL TERMS AND CONDITIONS

SPECIALTY CROP BLOCK GRANT PROGRAM – FARM BILL

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1. Applicable Regulations

a. Administrative Provisions. This award, and subawards at any tier under this award, shall be governed to the extent applicable by the following provisions:

- (1) 7 CFR 3015, "Uniform Federal Assistance Regulations";
- (2) 7 CFR Part 3016, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments"; and
- (3) 7 CFR Part 3019, "Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals, Non-profit Organizations, and For-Profit Organizations."

The Code of Federal Regulations is accessible through the [National Archives and Records Administration](#).

b. Federal Cost Principles. Allowable costs will be determined in accordance with the applicable program legislation, the purpose of the award, the terms and conditions of award as contained herein, and, if this award is to a recipient other than a Federal agency, by the following Federal cost principles that are applicable to the type of organization receiving the award, regardless of type of award or tier (i.e., prime awardee, subaward) as are in effect at the time of award:

- (1) 2 CFR 225 (OMB Circular No. A-87), "Cost Principles for State, Local, and Indian Tribal Governments."
- (2) 2 CFR 220 (OMB Circular No. A-21), "Cost Principles for Educational Institutions"
- (3) 2 CFR 230 (OMB Circular No. A-122), "Cost Principles for Nonprofit Organizations"

A complete list of current OMB Circulars can be found on the [White House Web site](#).

- (4) Federal Acquisition Regulations (48 CFR Part. 31.2), Principles for determining costs with profit making firms, "Contracts with Commercial Organizations".

The Code of Federal Regulations is accessible through the [National Archives and Records Administration](#).

2. Definitions

a. Federal Agency – Specialty Crop Block Grant Program-Farm Bill, Agricultural Marketing Service, United States Department of Agriculture

b. Federal Agency Project Manager – the individual, acting within the scope of delegated authority, who is responsible for executing and administering awards on behalf of the U.S. Department of Agriculture. The project coordinator's address, telephone, and facsimile numbers are as follows:

Trista Etzig
Specialty Crop Block Grant Program
USDA, Agricultural Marketing Service
1400 Independence Avenue, SW
Room 2077 – South
Washington, DC 20250-0235

Telephone: (202) 690-4942

Facsimile: (202) 720-0016

c. Grant - an award of financial assistance, including cooperative agreements, in the form of money, or property in lieu of money, by the Federal Government to an eligible grantee.

d. Grantee/State Agency – the government to which a grant is awarded and which is accountable for the use of the funds provided. The grantee is the entire legal entity even if only a particular component of the entity is designated in the grant award document.

e. Grantee/State Agency Project Coordinator – the individual who is authorized to commit the grantee's time and other resources to the project, to commit the grantee to comply with the terms and conditions of the award instrument including those set out herein, and to otherwise act for or on behalf of the grantee.

f. Subgrant - an award of financial assistance in the form of money, or property in lieu of money, made under a grant by a grantee to an eligible subgrantee. The term includes financial assistance when provided by contractual legal agreement, but does not include procurement purchases, nor does it include any form of assistance which is excluded from the definition of grant in this part.

g. Subgrantee - the government or other legal entity to which a subgrant is awarded and which is accountable to the grantee for the use of the funds provided.

3. Assurances and Certifications

Assurance. As a condition of this grant award, the State Agency assures that it is in compliance and will comply in the course of grant performance with all applicable laws, regulations, Executive Orders, and other generally applicable requirements, as prescribed by 7 CFR 3015, which hereby are incorporated in this grant award by reference, and such other provisions as are specified herein.

Certifications. In accepting this grant award, the State Agency specifically certifies that:

a. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.

b. Will give the Federal Agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

c. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

d. Will initiate and complete the work within the applicable time frame after receipt of approval of the Federal Agency.

e. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).

f. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of disabilities; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

g. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

h. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

i) Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.

j) Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.

k) Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management

program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93- 205).

l) Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

m) Will assist the Federal Agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).

n) Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.

o) Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.

p) Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

q) Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

r) Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

s) It will make a good-faith effort to provide and maintain a drug-free environment by prohibiting illicit drugs in the workplace, providing employees with drug-free policy statements (including penalties for noncompliance), and establishing necessary awareness programs to keep employees informed about the availability of counseling, rehabilitation, and related services (§5151-5610 of the Drug-Free Workplace Act of 1988, as implemented by 7 CFR Part 3017, Subpart F, Section 3017.600, Purpose).

t) It has not used and will not use Federal funds, other than profits from a Federal contract, for lobbying Congress or any Federal agency in connection with the award or modification of any contract, grant, cooperative agreement, or loan; will disclose the name, address, payment details, and purpose of any agreements with lobbyists for whom it or its contractors or grantees have paid or will pay with profits or *non-appropriated* funds on or after December 23, 1989, for any award action in excess of \$100,000 (or \$150,000 for loans); will file quarterly updates about the use of lobbyists if material changes occur; and will require its nonexempt contractors or grantees to certify and disclose accordingly [§319, Pub. L. No. 101-121 (31 U.S.C. 1352), as implemented by 7 CFR Part 3018].

u) It and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency; have not been convicted or indicted under criminal or civil statutes or had one or more public transactions terminated for cause or default within the past three years; will provide immediate written notice to the Authorized Departmental Officer if at any time it learns that this certification was erroneous when made or has become erroneous by reason of changed circumstances; and will require recipients of lower-tier covered transactions under this grant award to similarly certify (Executive Order 12549, as implemented by 7 CFR Part 3017, Section 3017.510, Participants' responsibilities).

4. Project Standards and Responsibilities

- a. Ensure that grant funds supplement the expenditure of State funds in support of specialty crops grown in that State, rather than replace State funds.
- b. Monitor the performance of all project activities, and ensure that the work is completed within the required time frame.
- c. Ensure specialty crop block grant funds are used only for activities covered by the approved project and State plan.
- d. All travel expenses shall follow Federal Travel Regulations (41 CFR Chapters 300-304) unless State travel requirements are in place.
- e. The Federal Agency shall be notified as soon as problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the award become known and if favorable developments such as meeting time schedules and objectives sooner or at less cost occur.
- f. The results of the grant project(s) may be published by the Federal Agency, the State Agency, or by appropriate subcontractors or subgrantees as mutually agreed.
- g. No member of Congress or resident commissioner shall be admitted to any share or part of this award or to any benefit to arise therefrom, unless it is made with a corporation for its general benefit.

5. Prior Approval Requirements

Change Key Personnel - When it is necessary to change the program contact for the State Agency for a period of more than 3 months, submit a written request (email is acceptable) to the Federal Agency. Request should contain the new individuals name and contact information.

The following items require a written request, including signature of the Project Coordinator for the State Agency and the Federal Agency before you proceed. The Federal Agency will accept a faxed document or pdf file with a signature.

Scope or Objectives - When it is necessary to modify the scope or objectives of the award, submit a written justification for the change along with the revised scope or objectives of the award to the Federal Agency and signature of the Project Coordinator for the State Agency and the Federal Agency.

If requesting to add a new project, submit a written justification for the change along with a project proposal to include the project title, purpose, potential impact, expected measurable outcomes, work plan, budget narrative, project oversight, and project commitment and signature of the Project Coordinator for the State Agency and the Federal Agency.

Extension of Grant Agreement- Where an extension of time is required; the extension(s) must be received in writing no later than 60 days prior to the expiration date of the award. The request from the State Agency program contact must contain the following information:

1. The length of additional time required to complete project objectives and a justification for the extension
2. A summary of progress to date (status of project timeline and objectives...etc.);
3. An estimate of remaining funds on the scheduled expiration date;
4. A projected timetable to complete the project for which the extension is being requested;
5. Signature of the Project Coordinator for the State Agency and the Federal Agency.

Note: All awards are limited to 3 years in duration from the date the grant agreement was signed by the State Agency.

Budget Changes - Where a modification to the SCBGP-FB approved budget is required, the modification must be approved in writing by the SCBGP-FB if the cumulative amount of such modifications exceeds 20 percent (20%) of the project's total budget as last approved by the SCBGP-FB. A request for a budget change shall include: (a) a description of the change and (b) a justification for the change, (c) the Project Coordinator for the State Agency and the Federal Agency signatures. Note that if the cumulative amount of allowable budget changes is less than 20 percent, prior SCBGP-FB approval is not required.

6. Unallowable Costs

The following costs are unallowable under this award unless otherwise permitted by law or approved by the Federal Agency.

- a. Costs which lie outside the scope of the approved project(s) and any amendments thereto.
- b. Costs of advertising and public relations designed solely to promote the governmental unit.
- c. Alcoholic beverages except when the costs are associated with enhancing the competitiveness of wine grapes and prior approval is given from the Federal Agency.
- d. Bad debts, including losses (whether actual or estimated) arising from uncollectable accounts and other claims, related collection costs, and related legal costs.
- e. Capital expenditures for general purpose equipment, buildings, and land. "General purpose equipment" means equipment, which is not limited to research, medical, scientific or other technical activities. Examples include office equipment and furnishings, modular offices, telephone networks, information technology equipment and systems, air conditioning equipment, reproduction and printing equipment, and motor vehicles.

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- f. Costs associated with capital expenditures for special purpose equipment with a unit cost of \$5000 or more without prior approval from AMS. “Special purpose equipment” means equipment which is used only for research, medical, scientific, or other technical activities. Examples of special purpose equipment include microscopes, x-ray machines, surgical instruments, and spectrometers.
- g. Contributions to a contingency reserve or any similar provision made for events the occurrence of which cannot be foretold with certainty as to time, intensity, or with an assurance of their happening.
- h. Donated or volunteer services may be furnished to a governmental unit by professional and technical personnel, consultants, and other skilled and unskilled labor. The value of these services is not reimbursable either as a direct or indirect cost.
- i. Contributions or donations, including cash, property, and services, made by the governmental unit, regardless of the recipient.
- j. Entertainment costs including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities) regardless of their apparent relationship to project objectives.
- k. Airfare costs in excess of the customary standard commercial airfare (coach or equivalent), Federal Government contract airfare, or the lowest commercial discount airfare.
- l. Fines, penalties, damages, and other settlements resulting from violations (or alleged violations) of, or failure of the governmental unit to comply with, Federal, State, local, or Indian tribal laws and regulations.
- m. Organized fund raising, including financial campaigns, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions regardless of the purpose for which the funds will be used.
- n. General Costs of Government including: (1) Salaries and expenses of the Office of the Governor of a State or the chief executive of a political subdivision or the chief executive of federally-recognized Indian tribal government; (2) Salaries and other expenses of a State legislature, tribal council, or similar local governmental body, such as a county supervisor, city council, school board, etc., whether incurred for purposes of legislation or executive direction; (3) Costs of the judiciary branch of a government; (4) Costs of prosecutorial activities; and (5) Costs of other general types of government services normally provided to the general public, such as fire and police.
- o. Costs of goods or services for personal use of the governmental unit’s employees regardless of whether the cost is reported as taxable income to the employees.
- p. Costs of investment counsel and staff and similar expenses incurred to enhance income from investments.
- q. Development or participation in lobbying activities including costs of membership in organizations substantially engaged in lobbying.

- r. Development or participation in political activities in accordance with provisions of the Hatch Act (5 U.S.C. 1501-1508 and 7324-7326).
- s. Grant funds cannot be used to supplant State funds.

7. Financial Management Standards

- a. Grant and subgrant records shall provide for complete, accurate, and current disclosure of financial results.
- b. The source and application of funds shall be readily identified by the continuous maintenance of updated records. Records, as such, shall contain information pertaining to grant or subgrant awards, authorizations, obligations, unobligated balances, assets, outlays, and income. When the recipient is a governmental entity, the records shall also contain liabilities.
- c. Effective control over and accountability for all grant or subgrant funds, real and personal property assets shall be maintained. Grantees and subgrantees shall adequately safeguard all such property and shall ensure that it is used solely for authorized purposes. In cases where projects are not 100 percent Federally funded, grantees and subgrantees must have effective internal controls to assure that expenditures financed with Federal funds are properly chargeable to the grant supported project.
- d. The actual and budgeted amounts for each grant or subgrant shall be compared. Financial information shall be related to performance and unit cost data. Estimates based on available documentation may be accepted for unit cost data.
- e. There shall be specific procedures established for minimizing the time elapsing between the transfer of funds from the Federal Agency and disbursement by grantees and subgrantees.
- f. Established procedures shall be used for determining the reasonableness, allowability, and allocability of costs in accordance with the cost principles prescribed by Section 1.b. of this part and the provisions of this grant award.
- g. Accounting records shall be supported by source documentation. These documentations include, but are not limited to, cancelled checks, paid bills, payrolls, contract, and subgrant award documents.
- h. A systematic method shall be employed by each recipient to assure timely and appropriate resolution of audit findings and recommendations.

8. Procurement

- a. The State Agency's procurement policies and procedures shall meet the standards specified in 7 CFR 3016.36.
- b. Maintain written standards of conduct that prohibit its officers, employees, agents, or others engaged in awarding and administering contracts supported by Federal funds from using their positions for any

purpose that is, or gives the appearance of being, motivated by a desire for private financial gain for themselves or others with whom they have close ties. These standards must include provisions that govern the conduct of the grantee's employees in connection with procurement activities. Such standards should reflect state and local laws and must cover financial interests, gifts, bribes, gratuities, favors, and related areas as appropriate and necessary. In addition, they must identify the conditions under which outside activities or interests are proper or improper, provide for prompt notification of violations to a responsible and objective institutional official, and make provision for disciplinary action against those who violate the standards. A copy of these standards does not have to be submitted to the Federal Agency for approval or recordkeeping purposes; however, they must be made available for review by the Federal Agency or its designated representatives, if requested.

c. All procurement transactions, regardless of whether by sealed bids or by negotiation and without regard to dollar value shall be conducted in a manner that provides maximum open and free competition.

d. Include a provision for access to the contractor's records by the State Agency and the Federal Agency. The provision must require the contractor to place the same provision in any subcontract which would have to have the provision were it awarded by the grantee. The provision must require retention of records for three years after final payment is made under the contract or subcontract and all pending matters are closed. The provision must also require that, if any audit, litigation, or other action involving the records is started before the end of the three year period, the records must be retained until all issues arising out of the action are resolved or until the end of the three year period, whichever is later.

e. In contracts and subcontracts under a subgrant, the provision must require that access to the records be provided to the grantee as well as the subgrantee and the Federal Agency.

f. In contracts in excess of \$10,000, a provision requiring compliance with Executive Order 11246, concerning equal employment opportunity as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Chapter 60) is required.

9. Consultants

a. Charges for consulting payments must be supported in the records of the grantee or cost-type contractor by an invoice from the consultant and a copy of the written report (if a report is appropriate) or other documented evidence of the work performed from the consultant.

b. If any of the following information is not shown on the invoice and/or report from the consultant, the information must be shown in a memorandum or other document prepared by the recipient or contractor for its files, or noted in handwriting on the consultant's invoice by the recipient or contractor. The memorandum, other document, or handwritten notation must be signed by an official of the recipient or contractor and show:

(1) The name of the consultant;

(2) The nature of the services provided (such as statistical analysis of data, participation on project advisory committee, or specified medical services to eligible beneficiaries);

(3) The relevance of the services to the project or program, if not apparent from the nature of the services; and

(4) Whichever of the following is applicable:

(i) (If the fee was based on a rate per day or hours worked) the rate and the dates and/or hours worked;

(ii) (If the fee was based on a rate per unit of service provided, such as the number of patients examined by a physician) the rate, the number of units of service provided, and the beginning and ending dates of the overall period of service; or

(iii) (If the fee was determined on some other basis) the basis for determining the fee and the beginning and ending dates of the period in which services were provided.

10. Special Purpose Equipment

Grantees and subgrantees purchasing any special purpose equipment or product with funds provided under this award are encouraged to use such funds to purchase only American-made equipment or products.

Title to special purpose equipment acquired by a grantee or subgrantee with funds provided under this award shall vest in the grantee or subgrantee.

The cost of an item of nonexpendable special purpose equipment is the net invoice cost of the item, including necessary modifications for which it was acquired, fabricated, or constructed. Other charges such as the cost of installation, transportation, taxes, insurance, and the like, may be included or excluded from the unit acquisition cost in accordance with the grantee or subgrantees regular accounting practices.

If the approved award involves the acquisition of special purpose equipment to be maintained in a foreign country, the grantee or subgrantee is legally responsible for such equipment. The grantee or subgrantee should obtain a receipt from the cooperator in the foreign country and should send a copy of it to the Federal Agency. At the conclusion of the project, disposition instructions should be requested from the Federal Agency.

When the special purpose equipment is no longer needed by the grantee or subgrantee and the per unit fair market value is less than \$5,000, the grantee or subgrantee may retain, sell, or dispose of the equipment with no further obligation to AMS. If, on the other hand, the per unit fair market value is \$5,000 or more, then the grantee or subgrantee must submit a written request to the Federal Agency for disposition instructions.

See 7 CFR Part 3015 Subpart R - Property for additional information pertaining to nonexpendable equipment.

11. Subawards

- a. Grantees and subgrantees must not make any award or permit any award (subgrant or contract) at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal Assistance program under Executive Order 12549, “Debarment and Suspension”;
- b. Ensure that every subgrant includes any clauses required by Federal statute and executive orders and their implementing regulations;
- c. Ensure that subgrantees are aware of requirements imposed upon them by Federal statute and regulation;
- d. Ensure that a provision for compliance with §3016.42 “Retention and access requirements for records” is placed in every cost reimbursement subgrant; and
- e. Conform any advances of grant funds to subgrantees substantially to the same standards of timing and amount that apply to cash advances by Federal agencies.

12. Payments.

Payments of grant funds must be requested by the State agency using [Form SF-270, “Request for Advance or Reimbursement”](#) at least on a quarterly basis. Quarterly cash advances shall be limited to the minimum amounts needed to meet current disbursement needs and shall be scheduled so the funds are available closely as is administratively feasible to the actual disbursements by the State Agency for program costs (usually 30 days). Cash advances made by the State Agency to secondary recipient organizations or the State Agency’s field organizations shall conform substantially to the same standards of timing and amount that applies to cash advances by the Federal Agency to the State Agency. Payments will be made electronically to the bank account specified by the State agency. The SF-270 should be signed by the appropriate organizational representative and be submitted to SCBGP-FB by express mail or courier service.

Requests for payment should be scheduled so that all grant funds are obligated (unencumbered) within 90 days after the end of the grant agreement. Any unobligated (unencumbered) balance of cash at the end of this period must immediately be refunded back to the Federal Agency.

The form original signed SF-270 shall be sent via express mail to:

Specialty Crop Block Grant Program
USDA, Agricultural Marketing Service
1400 Independence Avenue, SW
Stop 0235
Room 2077 South Building
Washington, DC 20250-0235

13. Program Income

If program income is earned it may be used for 1) expanding the project or program; 2) continuing the project or program after the grant or sub grant support ends; and 3) supporting other projects or programs that further the broad objectives of the grant program.

14. Earned Interest

Grantees and subgrantees shall promptly, but at least quarterly, remit interest earned on advances to the Federal agency. The grantee or subgrantee may keep interest amounts up to \$100 per year for administrative expenses.

Earned interest payments due to AMS will be made by check payable to the “Agricultural Marketing Service” Because packages sent to AMS through the United States Postal Service may be damaged or delayed due to security procedures at USDA Washington DC headquarters, the use of express mail or courier services is required. Express mail or courier submission should be sent to the address shown in 11.

15. Performance Monitoring

Annual performance reports are due 90 days after the anniversary date of the award until completion. A final performance report is required 90 days after the grant agreement expiration date. If the grant period is one year or less, then only a final performance report is required.

The annual performance report must include the following information:

- **Activities Performed.** Briefly summarize activities performed, targets, and/or performance goals achieved during the reporting period to meet measurable outcomes for each project.
- **Problems and Delays.** Note unexpected delays or impediments as well as favorable or unusual developments for each project.
- **Future Project Plans.** Outline work to be performed during the next reporting period for each project.
- **Funding Expended To Date.** Comment on the level of grant funds expended to date for each project.
- **Additional information.** Include other relevant project information available (e.g. publications, web sites, photographs).

The final performance report must include the following:

- **Project Summary.** An outline of the issue, problem, interest, or need for each project.

- **Project Approach.** How the issue or problem was approached via each project.
- **Goals and Outcomes Achieved.** How the performance goals and measurable outcomes were achieved for each project. If outcome measures were long term, summarize the progress that has been made to towards achievement.
- **Beneficiaries.** Description and quantitative data for the number of people or operations that have benefited from the project’s accomplishments, and/or the potential economic impact of each project.
- **Lessons Learned.** Lessons learned, results, conclusions, for each project. If outcome measures were not achieved, identify and share the lessons learned to help expedite problem-solving.
- **Contact person.** List the contact person for each project with telephone number and email address.

16. Financial Audit Requirements

The State is accountable for conducting an annual financial audit of the expenditures of all SCBGP-FB funds. This requirement can be fulfilled by the Single Audit Act or a program-specific audit.

Single Audit Act

If the Single Audit Act applies, the State shall submit the annual audit results to AMS within 30 days after completion of the audit. See [OMB Circular A-133, “Audits of States, Local Governments, and Non-Profit Organizations”](#) for guidance on if the Single Audit Act applies.

Program-Specific Audit

If the Single Audit Act does not apply, the State shall conduct an audit of all SCBGP-FB funds no later than 60 days after the end date of the grant agreement. The State shall submit to AMS not later than 30 days after completion of the audit, a copy of the audit results.

17. Award Closeout

A Final Performance Report (Sec. 14) and a Financial Status Report (Form SF-269A or SF 269 if the project had program income) is required within 90 days following the grant agreement expiration date. An original signed SF 269a or SF 269 must be submitted to the SCBGP-FB at the address shown in 11.

The grantee must liquidate all obligations incurred under the award not later than 90 days after the end of the grant agreement expiration date.

The grantee must immediately refund to the Federal agency any balance of unobligated (unencumbered) cash advanced that is not authorized to be retained for use on other grants.

18. Site Visits and Project Records

Work performed under this grant is subject to inspection and evaluation at all times by officials of AMS, or by any of their duly authorized representatives through such mechanisms as the review of performance reports and site visits. To the extent possible, all site visits will be made at mutually acceptable intervals and will be timed to avoid disruption to the construction work and to grantee programs and personnel.

AMS and the Comptroller General of the United States, or any of their duly authorized representatives, shall have the right of access to any books, documents, papers, or other project-related records of the grantee and its contractors under this grant for examination and audit purposes and to obtain excerpts and transcripts.

Financial records, supporting documents, statistical records, and other records pertinent to this grant award shall be retained by the grantee and its contractors for a period of three years after submission and acceptance of the final SF-269, "Financial Status Report." Records relating to audits, appeals, litigation, or the settlement of claims arising out of project performance shall be retained until such audits, appeals, litigation, or claims have been settled.

19. Suspension/Termination

The Federal Agency, after reasonable notice to a State Agency, and an opportunity to be heard, finds that there has been a failure by the State Agency to comply substantially with any provision of this award, or other applicable laws or regulations the Federal Agency may disqualify, for one or more years, the State from receipt of future grants under Section 101 of the Specialty Crops Competitiveness Act of 2004 (Public Law 108-465; 7 U.S.C. 1621 note.).